



STEVE WESTLY
California State Controller

**To the Tax Professionals, Attorneys at Law,
and Citizens of the State of California:**

The California State Controller's Office is pleased to provide an updated edition of *Estate Tax and Generation-Skipping Transfer Tax Laws and Estate Tax Regulations*. This publication includes the California estate tax and generation-skipping transfer tax laws, codified in the Revenue and Taxation Code, and the related estate tax regulations, contained in Title 2 of the California Administrative Code.

The publication has been updated to include several changes to the Revenue and Taxation Code pursuant to the Statutes of 2003. The changes below are effective January 1, 2004:

- Revenue and Taxation Code Section 13551 has been reinstated to clarify the application of payments. This section had been repealed by the Statutes of 2000, effective January 1, 2001.
- Section 13552 has been added to clarify that interest and penalties imposed shall be treated and collected in the same manner as estate tax.
- Section 13563 has been amended to clarify the interest calculation for overpayments of estate tax.

H.R. 1836, passed by Congress in 2001, reduces the state death tax credit by 25% annually for four years in succession, beginning January 1, 2002. The state death tax credit will be eliminated entirely as of January 1, 2005. H.R. 1836 also gradually reduces the federal estate tax.

Comments or questions about the California estate tax may be sent to the State Controller's Office, Division of Collections, Bureau of Tax Administration, at the address shown below. Individuals may also contact our office by telephone at (916) 445-6321.

This publication, along with other State Controller's Office publications, is available on our web site (<http://www.sco.ca.gov>).

Sincerely,

STEPHEN L. EDWARDS, Chief
Bureau of Tax Administration